

# Riverside County Economic Forecast

Riverside County is the fourth largest county in the state in terms of total land area. The county, along with its neighbor to the north, San Bernardino County, comprise the Inland Empire. The Inland Empire is the fastest growing region of the state, and among the fastest growing metro areas in the nation. Riverside County has a population of 1.88 million people, and there are 550,000 wage and salary jobs located in the county. The per capita income in the county is \$25,527, and the average salary per worker is \$38,560.

Economic growth in the composite Southern California area was impressive in 2004, compared to the northern half of the state. Much of the growth in Southern California took place in the Inland Empire. Last year over 23,000 total jobs were created in Riverside County, which represents an outstanding growth rate of 4.4 percent. Non-farm employment growth was slightly higher at 4.8 percent last year. The unemployment rate dropped to 5.8 percent.

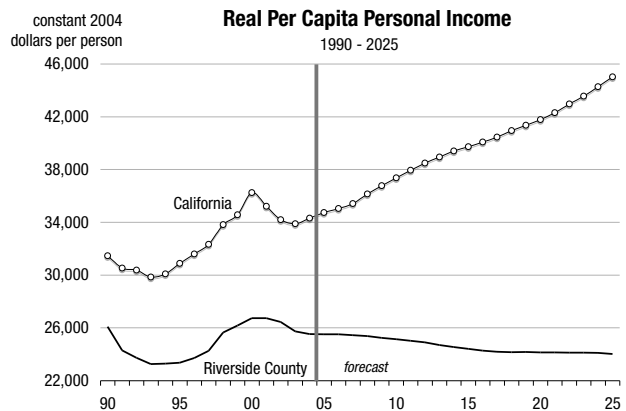
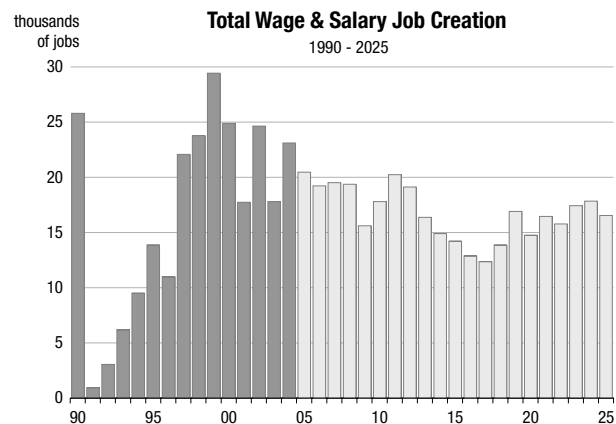
The principal sectors that are producing jobs in Riverside County are business services, construction, retail trade, and leisure and hospitality. The recreation and leisure services sector is creating more job opportunities as population growth continues to swell in the Inland Empire. The manufacturing sector is growing again, after three flat years. The durable manufacturing sector reached an all time record employment level in 2004.

The population continues to grow at annual average rates exceeding 3 percent in Riverside County. The Coachella Valley (Indio, Banning, Beaumont) is adding population rapidly, as is Murietta, Perris, and Temecula.

Population and employment are expected to grow at healthy rates in Riverside County over the next several years. The Inland Empire is in a position to dominate growth in California for the remainder of the decade.

## Forecast Highlights

- Job growth is forecast to cool in 2005, but remain high at 3.7 percent. Over the next five years, the annual growth rate is expected to average 3.0 percent per year.
- Average salaries adjusted for inflation are currently below the California state average, and will remain so over the foreseeable future. Real average salaries are forecast to rise an average of 1.2 percent per year over the next 5 years.
- Over the next five years, the momentum for employment growth remains in services, especially health care services which support the aging population, information services, and professional and technical services. Each of these three sectors is forecast to grow 20 percent or more between 2005 and 2010.

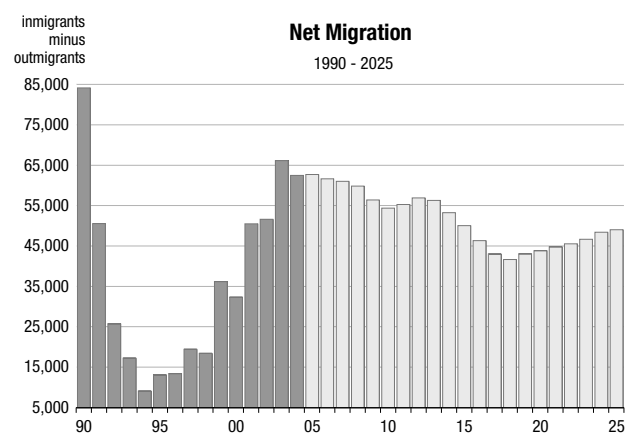
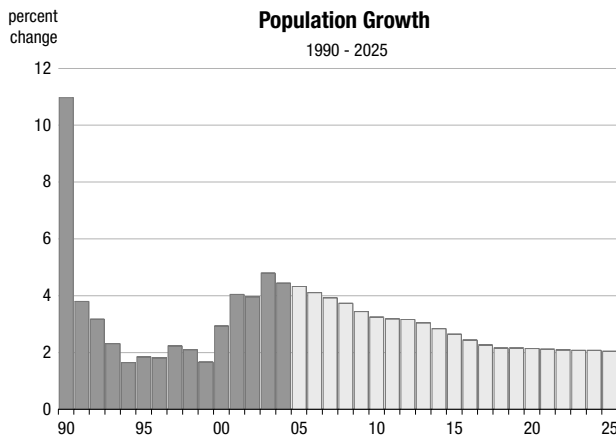


- The population will continue to grow at a rapid rate in the county. Annual growth in the 2005 to 2010 period is expected to average 3.7 percent per year.
- Over the next five years net migration is expected to decline from the healthy levels observed in 2004, but still average 58,600 net migrants per year.
- Population growth is forecast to exceed income growth for the remainder of the decade. Real per capita incomes are expected to decline 0.1 percent in 2005, and 0.3 percent per year through 2010.
- Industrial production is forecast to increase by 3.7 percent in 2005. Over the next five years the growth rate of industrial production is expected to increase, averaging gains of 5.1 percent per year.

# Riverside County Economic Forecast

## 1995-2004 History, 2005-2025 Forecast

	Population (people)	Net Migration (people)	Registered Vehicles (millions)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
1995	1,401,600	13,078	0.99	448	6,946	\$10.3	\$26.2	\$23,353	1.6	1,453	3.9	9.5
1996	1,427,100	13,422	1.01	453	7,499	\$11.1	\$27.6	\$23,715	1.7	1,402	4.2	8.2
1997	1,459,000	19,476	0.96	458	9,784	\$12.0	\$29.3	\$24,250	1.7	1,314	4.8	7.5
1998	1,489,700	18,467	1.04	464	12,493	\$13.1	\$32.1	\$25,648	1.4	1,428	5.4	6.6
1999	1,514,600	36,250	1.10	473	14,579	\$15.1	\$34.1	\$26,182	2.3	1,393	6.2	5.4
2000	1,559,079	32,364	1.18	506	15,410	\$17.0	\$37.0	\$26,738	3.3	1,181	7.0	5.5
2001	1,622,179	50,491	1.26	516	19,005	\$18.2	\$39.8	\$26,728	3.4	1,226	6.0	5.2
2002	1,686,571	51,621	1.34	531	22,664	\$19.5	\$42.1	\$26,444	2.8	1,127	6.2	6.1
2003	1,767,485	66,145	1.39	549	30,361	\$21.7	\$44.0	\$25,739	2.6	1,103	6.8	6.1
2004	1,846,095	62,473	1.46	572	33,946	\$24.0	\$47.1	\$25,527	3.3	1,031	7.4	5.8
2005	1,925,928	62,723	1.53	599	33,609	\$27.1	\$50.3	\$25,507	2.7	970	7.7	5.6
2006	2,005,133	61,675	1.61	627	33,415	\$29.6	\$53.7	\$25,515	2.5	917	7.9	5.8
2007	2,083,933	61,015	1.68	655	32,837	\$31.9	\$57.0	\$25,446	2.4	872	8.3	5.9
2008	2,161,738	59,835	1.76	683	32,423	\$34.2	\$60.4	\$25,370	2.3	832	8.8	5.7
2009	2,236,281	56,412	1.83	710	31,075	\$36.6	\$63.5	\$25,237	2.2	796	9.3	5.8
2010	2,308,951	54,377	1.91	736	31,599	\$39.0	\$66.9	\$25,142	2.4	764	9.8	5.8
2011	2,382,709	55,311	1.99	763	33,264	\$41.5	\$70.5	\$25,029	2.5	734	10.5	5.6
2012	2,458,217	56,908	2.05	791	33,511	\$44.1	\$74.2	\$24,895	2.6	707	11.2	5.4
2013	2,533,278	56,317	2.11	819	31,841	\$46.7	\$78.0	\$24,701	2.7	681	11.7	5.1
2014	2,605,385	53,243	2.16	846	30,843	\$49.3	\$81.8	\$24,548	2.7	657	12.1	5.0
2015	2,674,386	50,048	2.21	872	29,759	\$52.1	\$85.9	\$24,408	2.8	634	12.5	5.1
2016	2,739,723	46,332	2.24	897	28,883	\$54.8	\$89.9	\$24,278	2.8	611	12.7	5.1
2017	2,801,784	43,046	2.27	921	28,400	\$57.5	\$94.0	\$24,189	2.6	590	13.0	5.3
2018	2,862,437	41,672	2.29	945	28,662	\$60.2	\$98.3	\$24,157	2.5	569	13.4	5.3
2019	2,924,405	43,062	2.30	969	29,936	\$63.0	\$103.1	\$24,173	2.5	548	13.8	5.2
2020	2,987,065	43,875	2.31	994	29,478	\$65.7	\$107.7	\$24,134	2.4	527	14.3	5.1
2021	3,050,482	44,806	2.31	1,019	30,088	\$68.4	\$112.6	\$24,137	2.4	507	14.7	5.0
2022	3,114,399	45,536	2.32	1,044	29,903	\$71.3	\$117.7	\$24,122	2.4	487	15.0	5.0
2023	3,179,191	46,702	2.35	1,069	30,690	\$74.4	\$123.2	\$24,123	2.5	468	15.4	4.9
2024	3,245,330	48,404	2.39	1,095	31,201	\$77.5	\$128.7	\$24,098	2.5	448	15.8	4.8
2025	3,311,708	49,061	2.43	1,122	31,278	\$80.8	\$134.1	\$24,017	2.4	429	16.4	4.8



# Riverside County Employment Forecast

## 1995-2004 History, 2005-2025 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
	employment ( thousands of jobs)											
1995	355.3	17.3	24.3	36.9	7.3	58.6	14.5	28.9	5.56	34.5	46.7	67.8
1996	366.3	16.9	26.0	38.7	7.5	59.8	14.4	30.0	5.54	36.5	47.4	69.9
1997	388.4	17.4	30.4	42.9	8.0	62.5	14.1	32.7	4.94	39.1	49.7	72.2
1998	412.2	17.5	36.4	46.5	8.9	65.4	14.8	35.9	5.44	41.6	50.4	73.9
1999	441.6	17.3	43.7	49.4	10.2	69.7	15.7	37.9	5.53	42.7	54.5	78.2
2000	466.5	17.6	48.4	51.8	10.2	73.5	16.0	42.2	5.78	44.0	55.4	84.1
2001	484.3	16.7	53.4	50.6	10.5	77.5	16.8	42.5	6.31	45.3	57.3	89.3
2002	508.9	16.2	55.0	49.8	10.8	82.5	17.6	46.5	6.57	49.6	59.2	96.6
2003	526.7	17.1	59.8	49.8	11.1	85.7	19.0	50.9	6.45	51.6	60.7	96.0
2004	549.9	15.9	67.0	51.5	12.0	90.4	20.2	55.2	6.40	52.4	64.1	96.0
2005	570.3	15.7	70.9	52.6	12.2	94.8	21.5	59.2	6.74	55.2	66.7	95.7
2006	589.6	15.6	74.2	53.2	12.6	99.5	22.2	61.1	7.17	56.8	68.9	97.1
2007	609.1	15.5	76.3	53.2	13.2	103.8	22.5	64.9	7.54	59.3	71.0	100.0
2008	628.5	15.4	77.3	53.2	14.0	108.3	22.6	69.0	7.86	62.3	73.4	102.3
2009	644.1	15.4	76.4	53.8	14.6	113.0	22.8	72.3	8.13	64.7	75.2	105.0
2010	661.9	15.3	77.3	54.5	15.1	117.7	23.1	76.3	8.31	67.1	76.8	107.2
2011	682.1	15.2	78.5	56.2	15.8	122.2	23.5	80.8	8.45	69.3	78.1	110.2
2012	701.2	15.2	79.1	57.5	16.7	126.6	24.0	85.1	8.59	71.4	79.4	113.4
2013	717.6	15.1	79.3	57.7	17.3	131.0	24.3	88.7	8.73	73.5	80.6	116.4
2014	732.6	15.1	79.5	57.4	17.7	135.2	24.6	91.8	8.82	75.8	81.8	119.4
2015	746.8	15.0	80.1	56.4	18.2	139.3	25.0	94.5	8.85	78.1	83.0	122.3
2016	759.7	15.0	80.2	55.3	18.6	143.4	25.3	96.4	8.85	80.5	84.1	125.2
2017	772.0	14.9	79.2	54.4	19.1	147.4	25.7	98.4	8.84	83.1	85.4	128.3
2018	785.9	14.9	78.8	53.4	19.8	151.3	26.0	100.2	8.82	86.1	86.8	131.7
2019	802.8	14.8	80.4	52.7	20.6	155.2	26.4	102.2	8.82	89.3	88.2	135.5
2020	817.6	14.8	80.5	52.0	21.5	158.9	26.8	104.1	8.85	92.2	89.5	139.1
2021	834.0	14.7	82.5	51.5	22.2	162.7	27.1	105.9	8.89	95.1	90.7	142.7
2022	849.8	14.7	82.9	51.0	23.0	166.4	27.4	107.8	8.94	98.3	92.0	146.5
2023	867.2	14.6	85.0	50.6	23.8	170.2	27.8	109.6	8.99	101.3	93.4	150.3
2024	885.1	14.6	87.0	50.7	24.6	173.9	28.2	111.4	9.04	104.3	94.7	154.3
2025	901.6	14.5	87.3	51.2	25.5	177.7	28.7	113.3	9.12	107.2	96.1	158.0

